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106TH CONGRESS
1ST SESSION

H. R. 886

To require the Secretary of Health and Human Services to submit to Congress a plan to include as a benefit under the Medicare Program coverage of outpatient prescription drugs, and to provide for the funding of such benefit.

IN THE HOUSE OF REPRESENTATIVES

MARCH 1, 1999

Mr. FRANK of Massachusetts (for himself, Mr. CARDIN, Mr. GEORGE MILLER of California, Mr. MOAKLEY, Mr. OBEY, Ms. SLAUGHTER, Mr. MCGOVERN, Mr. SANDERS, Mr. CAPUANO, Mr. OLVER, and Mr. MEEHAN) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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A BILL

To require the Secretary of Health and Human Services to submit to Congress a plan to include as a benefit under the Medicare Program coverage of outpatient prescription drugs, and to provide for the funding of such benefit.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Medicare Prescription Drug Coverage Act of 1999".

SEC. 2. STUDY AND LEGISLATIVE PROPOSAL TO CONGRESS.

(a) STUDY.—The Secretary of Health and Human Services shall conduct a study with respect to the establishment of an outpatient prescription drug benefit under the Medicare program that provides for full coverage of outpatient prescription drugs for Medicare beneficiaries.

(b) ADDITIONAL MATTERS STUDIED.—In conducting the study under subsection (a), the Secretary shall include a determination of whether Federal estate tax revenues, transferred to the Federal Hospital Insurance Trust Fund by reason of the amendments under section 3 of this Act, are sufficient, in excess of the amount required, or insufficient to defray the costs of such outpatient prescription drug benefit.

(c) REPORT TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report containing a detailed description of the results of the study conducted pursuant to this section, and include in such report a legislative proposal to provide for such outpatient prescription drug benefit.

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SEC. 3. TRANSFER OF FEDERAL ESTATE TAX REVENUES TO MEDICARE PROGRAM TO OFFSET COSTS OF PRESCRIPTION DRUG BENEFIT.

(a) TRANSFER TO FEDERAL HOSPITAL INSURANCE TRUST FUND.—Section 1817(a) of the Social Security Act (42 U.S.C. 1395i(a)) is amended—

(1) by striking "and" at the end of paragraph (1),

(2) by striking the period at the end of paragraph (2) and inserting "; and", and

(3) by inserting after paragraph (2) the following new paragraph:

"(3) the taxes imposed by chapter 11 of the Internal Revenue Code of 1986 (relating to estate taxes) reported to the Secretary of the Treasury or his delegate on tax returns under subtitle F of such Code, as determined by the Secretary of the Treasury by applying the applicable rate of tax under such chapter to such taxable estate.".

(b) ESTABLISHMENT OF SEPARATE ACCOUNT FOR OUTPATIENT PRESCRIPTION DRUG BENEFIT.—Section 1817 of such Act (42 U.S.C. 1395i) is amended by adding at the end the following new subsection:

"(l) OUTPATIENT PRESCRIPTION DRUG ACCOUNT.—

"(1) ESTABLISHMENT.—There is hereby established in the Trust Fund an expenditure account to

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be known as the 'Outpatient Prescription Drug Account'.

"(2) CREDITING OF FUNDS.—The Managing Trustee shall credit to the Outpatient Prescription Drug Account such amounts as may be deposited in the Trust Fund pursuant to subsection (a)(3).

"(3) USE OF FUNDS.—Funds credited to the Outpatient Prescription Drug Account may only be used to pay for outpatient prescription drugs furnished under this title.".

(c) EFFECTIVE DATE.—The amendments made by this section apply to payments received by the Secretary of the Treasury on or after the date of the enactment of this Act for taxes imposed by chapter 11 of the Internal Revenue Code of 1986.

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